Copyright: Choice of Law and Jurisdiction in the Digital Age

Raquel Xalabarder

Follow this and additional works at: http://digitalcommons.law.ggu.edu/annlsurvey
Part of the Intellectual Property Law Commons

Recommended Citation
Available at: http://digitalcommons.law.ggu.edu/annlsurvey/vol8/iss1/5

This Article is brought to you for free and open access by the Academic Journals at GGU Law Digital Commons. It has been accepted for inclusion in Annual Survey of International & Comparative Law by an authorized administrator of GGU Law Digital Commons. For more information, please contact jfischer@ggu.edu.
I. INTRODUCTION

In legal circles, the Internet is proving to be quite a challenge: its global dimensions, which cut across territorial borders, are creating significant legal questions. Copyright law is no exception.

It is undeniable that the Internet is a legal and jurisdictional “no-man’s land.” Which domestic law will govern the multiple acts of exploitation and infringement of copyrighted works on the Internet? Which court will have jurisdiction to make decisions as to copyright infringements occurring on the Internet? Should we design new choice of law and jurisdiction rules to decide these issues? Or should we just wait and see how the existing rules, in the hands of courts and lawyers, make their way through the digital network?

* This comment is based on a speech delivered by the author at the 10th Regional Meeting of the American Society of International Law and 11th Annual Fulbright Symposium on International Legal Problems at Golden Gate University School of Law on March 30, 2001.

** Dr. Raquel Xalabarder, Professor of Intellectual Property Law, Universitat Oberta de Catalunya, Barcelona; Visiting Fulbright Scholar, Columbia Law School (2001); L.L.M., Columbia Law School (1993); Law Degree, University of Barcelona. I wish to thank the Fulbright Commission and Columbia University Law School, as well as Dr. Sompong Sucharitkul for inviting me to the 2001 Fulbright Symposium and Professor Jane C. Ginsburg of Columbia Law School for her time and guidance.
Questions of jurisdiction and choice of law have become increasingly important in the field of intellectual property law since markets have become increasingly "global," while copyright laws remain basically "territorial."

The existing legal framework for deciding jurisdiction and choice of law rules for copyright law derives from two sources:

1. Copyright rules (domestic laws and international instruments on copyright); and

2. Private international law rules (rules on jurisdiction and choice of law provided in domestic laws and international instruments).

There is no "international" copyright law, just numerous domestic laws applied within the boundaries of their respective domestic territories. International efforts developed in the 19th century at bilateral, regional, and worldwide levels to ensure the protection of copyrighted works outside the boundaries of nations. The most important was the Berne Convention for the Protection of Literary and Artistic Works of 1886.1 Intellectual property rights have always been regarded as territorial, and the international conventions were built upon that concept.

Private international law addresses problems that arise from the territorial nature of legal systems, in particular, problems of attributing jurisdiction to national courts, and of determining applicable domestic law. No international convention has been adopted globally in the areas of jurisdiction, choice of law and the enforcement of foreign judgments. Some "regional" conventions cover specific legal fields, such as the Brussels and Lugano Conventions (covering issues of jurisdiction and enforcement in civil matters within Europe) and the Rome Convention (sets choice of law rules on contracts). As we shall see, these conventions fail to deal expressly with issues of jurisdiction and choice of law for copyright infringement cases. In addition, general rules on jurisdiction and choice of law rules provided for torts and contracts in these instruments are not sufficient to ensure uniform solutions for the international protection of copyrighted works.

As a result, countries and their courts have a great deal of discretion to decide issues of jurisdiction, to decide the applicable law for protection of copyrighted works at an international level, and to decide the enforcement of foreign rulings.

Why is this so? Why is it so difficult to combine copyright law and existing private international law rules? Choice of law and jurisdiction rules have traditionally relied on physical concepts such as *lex loci*, and on the existence of national borders within which domestic laws can be enforced. However, the very nature of copyright law (its intangibility) allows anyone to use a copyrighted work anywhere and at any time: copyrighted works and copyright law are ubiquitous.

Historically, the problem of deciding choice of law and jurisdiction has been avoided by applying existing territorial rules defined in the Berne Convention, and (by default) general rules for jurisdiction and choice of law.

However, these problems have been magnified with the development of the Internet. With the Internet, the concepts of *locus* and national borders are devoid of any meaning. Copyrighted works can be disseminated and infringed on the Internet at explosive speeds and quality. Legislators did not foresee this problem, as evidenced by the choice of law and jurisdiction rules they have enacted prior to the advent of the Internet.

Existing international rules for jurisdiction and choice of law regarding both copyright and private international law were drafted at a time when the Internet and other digital means of exploitation did not exist. These rules are not sufficient to deal with choice of law and jurisdiction issues raised by protection of copyrighted works on the Internet.

II. CHOICE OF LAW

A. ARTICLES 5.1 AND 5.2 OF THE BERNE CONVENTION

We will first examine the choice of law issue. In addition to the minimal protection that must be granted within any member state to any foreign works, the Berne Convention relies on the principle of national treatment (Art. 5.1), and provides for a specific choice of law rule (Art. 5.2).

Article 5.1, Principle of National Treatment: Authors shall enjoy, in respect of works for which they are protected under this Convention, in
countries of the Union other than the country of origin, the rights which their respective laws do now or may hereafter grant to their nationals, as well as the rights specially granted by this Convention.

Article 5.2, Choice of Law: The enjoyment and the exercise of these rights shall not be subject to any formality; such enjoyment and such exercise shall be independent of the existence of protection in the country of origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed.

According to the principle of national treatment (Art. 5.1), each member country must grant foreign authors (nationals from other member countries) the same rights granted to national authors. This is not a complete choice of law rule since it does not solve the issue of what is the applicable law when protection is sought for a country (or author) from a non-forum country.

Article 5.2 is a choice of law rule leading to the application of the law of the member country where protection is claimed (lex loci protectionis). As construed by doctrine and case law during the past century, this choice of law does not necessarily result in the application of lex fori. The law to be applied may be that of a foreign country, regardless of which forum is seized.

Two important issues must be stressed regarding Article 5.2:

1. Article 5.2 is not a jurisdiction rule. This section does not designate that the country of protection should be the one with exclusive jurisdiction to deal with the case. For example, protection for France - granted according to French law - may be sought in a United States court; however, practical considerations such as translation costs, lawyers’ fees, and enforcement options, tend to favor a commonplace application of jurisdiction and choice of law rules.

2. Article 5.2 does not address the question of when an applicable foreign copyright law conflicts with the forum’s public order or with the forum’s copyright law. The forum may be reluctant to apply a foreign copyright law that conflicts with its own copyright law, instead turning to its own lex fori.
The choice of law rule in Article 5.2 of the Berne Convention is derived from the principle of territoriality of copyright that has traditionally inspired all copyright international conventions and domestic choice of law rules. Domestic copyright laws apply within the boundaries of each respective state. There exist as many copyrights as copyright domestic laws. Therefore, the application of copyright law in a networked environment raises new problems. Which is the country of protection when a US copyrighted work has been uploaded without the author's consent onto a website hosted through a German internet service provider ("ISP"), and this site can be accessed from anywhere in the world? Which law decides whether this act constitutes an infringement? Is it German law, US law, or all the domestic laws where the copyrighted work can be uploaded and/or downloaded?

Regarding the Internet, the strict enforcement of the *lex loci protectionis*, as envisioned in Article 5.2 of the Berne Convention, results in the application of as many domestic laws as there are countries into which the work can be uploaded. Applying the *lex loci protectionis* choice of law rule to simultaneous infringements that take place on the Internet results in a daunting task of applying as many domestic copyright laws as countries into which the work may be received or accessed.²

This choice of law rule was crafted in a time when both exploitation and infringement of copyrighted works took place successively, one country at a time, by means of "tangible" copies of the work, and not simultaneously by means of "intangible" copies through the Internet.

**B. IS THERE ANY ALTERNATIVE CHOICE OF LAW RULE TO ARTICLE 5.2 OF THE BERNE CONVENTION?**

There are some alternatives, but none may offer a better result.

One possible answer may be found in choice of law rules for contracts. In June 1980, the European Union countries adopted the Rome Convention to promulgate common choice of law rules for contractual obligations.³ The general principle (Art. 3.1) is that the contract will be

---

² Note that we are dealing here only with applicable law. Jurisdictional rules may not provide for allocation of such a multi-territorial claim in that forum, or the forum may not be comfortable with applying so many foreign laws, and the author or copyright owner may end up having to raise the same claim in each and every country of reception.

governed by the choice of law designated by the parties. If the parties fail to specify a choice of law, then the law of the country that the contract is most closely connected to will govern the contract. Domestic choice of law rules tend to provide similar criteria.

Unfortunately, these choice of law rules are not sufficient because they determine the applicable law for copyright contracts only for the contractual matters contained therein. Copyright issues regarding contracts are subject to copyright choice of law rules, such as the rule defined in Article 5.2 of the Berne Convention, or in domestic copyright laws that usually use the same criteria of territoriality to determine the applicable law.

Another possible answer is to turn to the choice of law rules provided for torts. Under most domestic laws, infringements of intellectual property ("IP") rights are regarded as torts for purposes of choice of law, thus leading to the application of the law of the country wherein the infringement occurred (lex loci delicti). Unfortunately, lex loci protectionis (choice of law rule for copyright infringements) and lex loci delicti (choice of law rule for torts) will usually result in the same applicable law. Applying either the specific copyright choice of law rule, such as the one in Article 5.2 of the Berne Convention, or the general choice of law rules provided for torts, results in a cumbersome, if not impossible task. Choice of law rules for torts are no better than those for copyright in helping to solve the question of which law should be applied in the protection of copyrighted works on the Internet.

C. WHAT CAN AND SHOULD BE DONE?

In jurisprudence and case law, the view is developing that the traditional territoriality principle governing copyright choice of law rules regarding copyright infringement should be reexamined pertaining to the Internet. This view favors the application of only one law to ensure the protection of copyrighted works on the Internet at the international level.

A choice of law rule that designates the law of a single country to govern the ensemble of Internet copying infringements would considerably simplify the legal landscape. However, this solution risks vesting

---

4. Patents and trademarks have an advantage over copyrights: as a general rule, they must be registered under a national system in order to be protected, whereas copyrighted works need not be registered anywhere to be protected. Therefore, we could say that among intellectual property rights to be protected on the Internet, copyright is the least attached to a particular country.
legislative competence in laws that are either under-protective or overprotective compared to the laws of other affected countries, thus creating what is known as "copyright havens."

The World Intellectual Property Organization ("WIPO") is currently working on private international law problems involved in the protection of copyrighted works on the Internet.5

Several possible solutions are being considered to ensure international protection against the infringement of copyrighted works on the Internet and to overcome the inefficiency of *lex loci protectionis* as the choice of law rule.

One possible solution is to apply the law of the country of the author's residence. This is a version of the *lex loci delicti* because the injury was "felt" in that country, regardless of where the harmful act occurred. This is a very simple solution but it may conflict with criteria used to establish jurisdiction, which is usually based on the residence of the defendant, not the claimant, or on the place of infringement. This solution becomes useless when the copyrighted work has several authors residing in different countries.

Another possible solution is to apply the law of the country where the initiating act takes place (where the communication to the public is initiated). Regarding the Internet, this country would be the one in which the server hosting the alleged infringing content is located.

This was precisely the approach adopted in the EU Directive on satellite broadcasting and cable retransmission6 to determine the law applicable to govern the protection of works transmitted by satellite (Art. 1.2(b)):

> The act of communication to the public by satellite occurs solely in the Member State where, under the control and responsibility of the broadcasting organization, the programme-carrying signals are introduced into an uninterrupted chain of

---


communication leading to the satellite and down towards the earth.

This choice of law rule simplifies the court’s job by reducing the number of applicable laws available to those countries wherein the servers are located, and provides a certain amount of predictability. However, this rule does not work well when imported onto the Internet, for several reasons:

1. This rule works well within a harmonized context (such as the EU countries) but may result in the creation of “copyright havens” for Internet servers when applied on a worldwide basis, resulting in a very low level of copyright protection. As a result, if the unauthorized uploading of the work is not an infringement under the law of that country, it will not be an infringement anywhere else in the world.

2. On the Internet there may be several simultaneous points of origin or serves, compared to a single point of origin in satellite transmissions. In this case, the result is as complicated as applying the laws of the countries of reception.

In the United States, a similar version is the so-called “root-copy” approach. US courts have been applying US law to the distribution of copies abroad when the foreign copies were reproductions of an initial infringing reproduction committed within the United States. However, US courts do not seem to use this approach as a bilateral choice of law rule; rather, they apply this approach only when the application of US law is justified, and not when the approach leads to the application of foreign law.

A slightly different solution is to apply the law of the country of residence of the defendant, which may be different from the server (or owner) of the web site. However, this solution has the same shortcomings as the previous one.

7. See, for instance, L.A. News Serv. v. Reuters Television, 149 F.3d 987 (9th Cir. 1998).

Finally, there is always the *lex fori*. This may be the easiest solution since it allows a commonplace application of jurisdiction and applicable law, but it is not problem free:

A. This solution allows the claimant to chose the applicable law by choosing the forum. As a result, infringement cases would always be brought in fora with over-protective copyright laws; and

B. The applicable law cannot be known before the infringement takes place.

Taking all these considerations into account, Professor Jane Ginsburg has made an alternative proposal based on these criteria, utilizing a hierarchy in order to provide only one applicable law to defend a work against copyright infringements all over the world on the Internet, while also minimizing the risk of copyright havens by ensuring that the applicable law will comply at all times with the minimal protection established by international instruments (namely the Berne Convention and the WTO-TRIPs Agreement):

1. The law of the country of residence or principal place of business of:

   - The operator of the website (when the infringing content is found on a website)
   - The person or entity that initiated the communication (when the infringing content is not found on a website)

so long as the law is consistent with the Berne Convention and WTO-TRIPs Agreement norms.

2. If the law in #1 (above) does not conform to the Berne Convention and WTO-TRIPs Agreement norms, then the law of

---


---
the country in which the server that hosts the infringing content is located would be applied - as long as the law is consistent with Berne Convention and WTO-TRIPs Agreement norms.

3. In either case, if a third country is shown to have a more significant relationship with the controversy, its law should be applied - as long as this law is consistent with Berne Convention and WTO-TRIPS Agreement norms.

4. By default, the law of the forum - as long as it is a member of the Berne Convention or WTO.

These criteria allow for a great deal of flexibility in determining the best applicable law in each case. However, the criteria do not provide sufficient predictability because the applicable law will not be known until the court decides which law complies with the Berne Convention and WTO minimum. However, the degree of unpredictability is lower than that resulting from Article 5.2 of Berne Convention as applied to copyright protection on the Internet.

III. JURISDICTION

Let us now examine the issue of jurisdiction. As pointed out above, the Berne Convention does not provide for any rule of jurisdiction concerning copyright infringements. Therefore, we must turn to general international private law instruments to determine which court has jurisdiction over a claim of copyright infringement on the Internet.

A. WITHIN THE EUROPEAN UNION

During the Brussels Convention of September 27, 1968 and the Lugano Convention of September 16, 1988, EFTA members established a set of common rules for jurisdiction. The Brussels Convention will soon be

11. Besides, the decision of which domestic laws comply with the Berne Convention and WTO minimum and which do not may be solved differently by different national courts. There is no objective standard. For instance, see the WTO Panel Report on Sec. 110(5) USCA, concluding that it did not comply with the Berne Convention (WT/DS/160/R, June 15, 2001). This document can be downloaded from www.wto.org.

replaced by EU Regulation 44/2000 of December 22, 2000,\textsuperscript{13} which basically reproduces the rules of the Convention.

The Brussels Convention and the EU Regulation only deal with jurisdiction for civil and commercial issues. There is a specific provision regarding intellectual property rights that states that litigation over the validity of patent and trademarks rights is subject to the exclusive jurisdiction of the country in which the right was registered [Art.16 (Art. 22.4)].\textsuperscript{14} This rule of exclusive jurisdiction does not apply to copyrighted works since these works do not need to be registered in order to be protected under copyright. Therefore, as far as copyright infringements are concerned, we need to turn to the general and special rules of jurisdiction set out in the Brussels Convention.

The general rule is the jurisdiction of the country of domicile/habitual residence of the defendant [Art. 2 (Art. 2.1)]. The parties may choose another forum, either expressly [Art. 17 (Art. 23)] or implicitly where the defendant accepts the forum chosen by the claimant by simply appearing in the court chosen by the claimant [Art. 18 (Art. 24)]. When parallel litigation is ongoing in several courts, claims may be consolidated in one single court [Art. 22 (Art. 28)].

Special jurisdiction rules are provided for contracts and for torts. There are also special rules provided for consumer contracts (Art. 13-15 allows consumers to bring actions in their countries of residence), but these rules may not be as important with regard to copyright infringements. The claimant may choose between general or special jurisdiction.

1. For contracts, the competence of the courts where the main obligation is to be fulfilled. [Art. 5.1 (Art. 5.1.a)].\textsuperscript{15}

2. For torts, the competence of the courts where the tort/harmful act occurred [Art. 5.3 (Art. 5.3)].


\textsuperscript{14} Double references are made to articles in the Brussels Convention, first, and the EU Regulation, in brackets.

\textsuperscript{15} Such a place may be difficult to locate when dealing with contracts performed over the Internet.
According to the interpretation of the European Court of Justice, the tort is deemed to have occurred either where the harmful event or the injury occurred. Both courts have jurisdiction over the entire infringement. 

When the infringement occurred on the Internet, the result of applying these jurisdiction rules is that all the following fora may have jurisdiction over a single claim:  

- The place where the server is “located.” 
- The place of residence of the person who posts or sends the infringing contents.  
- Each and every one of the countries where the infringed work was accessible or can be downloaded, which potentially means as many fora as countries of reception. 
- The country of residence of the author/owner (claimant) where the injury was felt. 

Will each of these fora have jurisdiction over worldwide infringement or only over infringements occurring within their respective territories? 

According to the European Court of Justice, only the forum of the country where the defendant resides has jurisdiction to deal with the entire affair and to compensate for damages occurring in all states. The rest of the fora have jurisdiction only to deal with damages occurring within their territories. Therefore, the claimant must either go to the forum of residence of the defendant, which may be very expensive for him, or to each and every one of the countries where his work has been infringed. In a networked environment, these fora may be all the countries of the world. 

17. Scenarios (a) and (b) result from the general rule on jurisdiction: the defendant’s country of residence. Scenarios (c) and (d) result from the special rule on jurisdiction for torts: lex loci delicti. 
18. This is the approach taken by an English court in the Waddon case, where an English national was condemned for posting pornographic images on a website hosted on a server based outside the UK (in the US); http://www.zdnet.com/zdnn/stories/news/0,4586,2329295,00.html. Regina v. Waddon, Court of Appeal Criminal Division, No. 99/5233/Z3 (2000). 
20. Instead, in the US, according to the “single publication rule” for defamation which is the law in several states, the claimant may choose among the several fora and bring only one claim there for damages occurring in all other states.
Saying that the copyright owner must bring his claim in multiple fora to obtain protection of his copyrighted work is analogous to saying that copyright protection on the Internet is in practice unenforceable. The copyright owner cannot afford to bring his claim in each and every one of the countries where the infringing work has been accessed.

Where the Brussels Convention does not apply, we must turn to domestic rules to determine jurisdiction. Domestic rules on jurisdiction usually depend on the same criteria: domicile or residence of the defendant (or his assets), the tort (infringement) being conducted inside the country. However, under domestic jurisdiction rules, the judge may apply the *forum non conveniens* (which is not allowed under the Brussels Convention) when determining that another court has jurisdiction over the case. The judge may also dismiss the case simply because the court does not deem it convenient to apply a foreign copyright law.

B. IN THE UNITED STATES

Similar results are reached in the US. In general, US law recognizes two grounds for personal jurisdiction over the parties:

- General jurisdiction exists if the defendant has continuous and systematic contacts with the forum state. If the defendant resides in the forum, or “does business” with the forum, the court will have general judicial competence over him, which means that the forum is competent to hear all territorial claims against that defendant. Thus, a website that only provides information (what is called a “passive website”) is not sufficient to carry general jurisdiction. Instead, an interactive website may entail sufficient contact with the Forum State to claim jurisdiction.

- Specific jurisdiction is based on purposeful acts (infringements) committed by the defendant directed toward the Forum State. The court will have jurisdiction only over a claim relating to the infringement committed in the forum, and not over infringing acts committed outside the forum. A website operator who makes copyrighted works available for downloading may be sued on the basis of a single download in that state.

21. Note that the rules set out in the Brussels Convention apply only in cases involving *defendants domiciled in a contracting state* (Art. 2).
Therefore, causes of action for copyright infringements may be brought in any court that has jurisdiction over the defendant. This is particularly important as far as Internet infringements are concerned since jurisdiction will not be limited to the *locus delicti* (Internet infringements occur everywhere, so in practice they cannot be enforced anywhere). However, it also presents some potential problems:

1. Internet service providers may become the targeted defendants for copyright infringements committed over the Internet, and claims may pile up in those fora where ISPs are registered for business. For example, since AOL is located in Virginia, Virginia courts have jurisdiction over claims for copyright infringements and torts committed through AOL. However, some courts may not exercise jurisdiction based upon this relationship. In June 1999 a judge in Virginia declined to exercise jurisdiction on a defamation claim over AOL, stating that "just because AOL is based here does not mean Virginia Courts are open to lawsuits involving worldwide Internet communications."  

2. Further, based on the general grounds for personal jurisdiction, a trend has emerged in recent years favoring the application of long arm jurisdiction to exercise jurisdiction over websites (and infringements) "located" outside the US. Jurisdiction may not be recognized as such in foreign countries where the infringement actually occurred and where the US decision must eventually be enforced.

C. AT THE INTERNATIONAL LEVEL

At the international level, the Hague Conference on International Private Law 23 is working on a new draft titled the "Draft Hague Convention."

The Draft Hague Convention basically "reproduces" the rules of the Brussels Convention. Therefore, the Draft contains no specific rule of jurisdiction for copyright infringement cases. Even if this instrument is adopted, we still would need to rely on tort rules to decide which court has jurisdiction to deal with a copyright infringement occurring on the

---

23. The Hague Conference is an intergovernmental body established for the unification of private international laws. Initially, in 1893, it was a diplomatic conference; in 1995, it became an international organization. See its website at http://www.hcch.net.
Internet (and we have seen the problems that such rules create). We should note that the future of the Draft Hague Convention is far from clear. There have been so many major setbacks in its progress that it is doubtful whether the Convention will ever see the light.

D. AT AN ACADEMIC LEVEL

At an academic level, Professors Rochelle Dreyfuss and Jane Ginsburg are working on a parallel draft convention (purely at an academic level) adapted from the text of the Draft Hague Convention to deal only with jurisdiction and recognition of judgments in intellectual property matters.

Such a convention could be adopted under the auspices of the WIPO or through the WTO (it would be open only to WTO members that have implemented the TRIPs Agreement).

Copyright infringement actions may be brought (under Art. 6):

(a) In the state where the defendant substantially acted; or

(b) In the state where the infringement was intentionally directed. This forum will have jurisdiction only in respect to an injury arising out of the infringement occurring in that state, unless this is also the place of residence (or principal business) of the injured person (author/copyright owner); or

(c) In the state where the infringement foreseeably occurred. This forum will have jurisdiction only in respect to an injury arising out of the infringement occurring in that state.

Therefore, the state will qualify as a single forum to deal with all copyright infringements occurring on the Internet (complete jurisdiction) either where (a) the defendant substantially acted or (b) the infringement was intentionally directed (if this state is the country of residence of the

24. In addition, when compared with the Brussels Convention, the Draft Hague Convention has two major setbacks:

1) members of the EU already have a certain degree of consensus regarding grounds for jurisdiction and enforcement of judgments that does not exist at a global international level;

2) this interpretation of the Brussels Convention was referred to the European Court of Justice, while it is difficult to find an independent body to interpret the Hague Convention that is acceptable to all countries.

25. So far, the US is reluctant to sign the present draft because of its unwillingness to relinquish a certain degree of judicial discretion (basically, the basis for jurisdiction in the US for suing companies with business activities within their jurisdiction).
author). In other cases, either (b) where the state is not the place of residence of the author or (c) the state in which the infringement foreseeably occurred, the court’s jurisdiction will be limited to the infringement occurring within that state.

The possibility of incorporating choice of law rules into the Draft Convention was also considered but was eventually disregarded. However, the use of an arbitrary or unreasonable choice of law rule as a ground for denying enforcement of a foreign judgment has been proposed for inclusion in the Draft Hague Convention (Art. 25.1.g).26

This proposal is currently at an academic discussion stage. As long as the Draft Hague Convention is alive, it will remain an “intellectual curiosity.” Should the Hague Draft die or split into pieces, this “academic” proposal might have a chance of moving forward.

IV. AN EXAMPLE

A recent US case, *iCrave TV*,27 serves to illustrate the complex issues of jurisdiction and choice of law in international copyright infringements on the Internet that we have been considering.

*iCrave TV*, a Canadian website, picked up broadcast signals from Canadian programs, and from US television programming received across the border. *iCrave* then converted those signals into videostreaming format and made them available via its website. *iCrave TV* claimed that the acquisition, conversion, and redistribution of the US programming was lawful under Canadian law (pertaining to Canadian law regarding secondary transmissions of broadcast performances). In theory, *iCrave TV* restricted access to its website to Canadian users only; however, identifying and supplying a Canadian telephone area code easily circumvented this restriction.

US TV producers brought suit in federal court in the Western District of Pennsylvania, where the president and international sales manager of *iCrave TV* resided. The court found general personal jurisdiction over

26. In addition, the authors proposed some considerations toward effecting a reasonable choice of law in the networked environment (see comments to Art. 25.1.g) which tend to coincide with the rules formerly proposed by Professor Ginsburg at the WIPO Group of Consultants on Private International Law and Copyright in 1988, that has been examined above, see Ginsburg, supra note 9.

27. Twentieth Century Fox Film Corp. v. *iCrave TV*, No 00-121 (W.D. Pa. Jan. 20, 2000) [unpublished opinion].
the Canadian business entity on the basis of its continuous and systematic contacts with Pennsylvania. To determine choice of law, the court found sufficient points of attachment with the US to allow the application of the US Copyright Act to the defendants' activities. The court then concluded that the infringement occurred within the US when US citizens received and viewed the unauthorized streaming of the copyrighted materials, disregarding the fact that the streaming transmission began in Canada.

In this case, TV producers were only concerned about infringement in the US. They probably had reason to be concerned, since far more than half the subscribers to the website were US residents. However, assume that the iCrave TV website was also accessed by a substantial number of people from other countries on other continents. What should iCrave have done?

Under current choice of law and jurisdiction rules, the worldwide claim for infringement could easily have been brought in a US court and would likely have been accepted for the same reasons. However, the choice of law applied might be different. According to lex loci protectionis, the US court should apply the domestic laws of every country where the streamed broadcast was received to determine if the broadcast qualified as a "secondary transmission of a broadcast" or as an infringement. This process would not only be expensive and difficult (translations, proof of foreign laws), but also controversial, since the US decision might not be enforced in other countries that do not accept the jurisdiction of the US court.28 As an alternative, the producers might bring suit in each country of reception, under each domestic copyright law.

Had the suit been brought in Canada (the country of domicile of the defendant) the chance for enforcement of the decision in all other countries might have been better. The Canadian court could have denied that an infringement occurred, using the grounds that lex loci protectionis is Canadian law (i.e., the law where the transmission started, instead of the laws of each country of reception).

As we have seen, the jurisdiction and choice of law issues are inherently related and require homogeneous solutions. There is no one perfect solution to solve the issues of choice of law and jurisdiction for copyright infringement on the Internet. However, this should not stop us from

28. Why should a US court deal with an infringement that begins in Canada and ends in the United Kingdom, Argentina, or elsewhere?
trying to achieve the best possible solution, or at a minimum to develop a solution that is better than what is currently in place (which is clearly not suitable for a networked environment). That is precisely what current proposals attempt to achieve.

V. CONCLUSION

Not surprisingly, there is good news and bad news.

The bad news is that traditional criteria used to allocate jurisdiction and choice of law for copyright are ill-fitted to respond to the needs of copyright infringement on the Internet. Courts are doing their best (sometimes with more imagination than legal basis) to cope with the new virtual world.

The good news is that attempts to clarify these issues are already in progress, and these attempts clearly adopt an international perspective. This approach is the only way to effectively deal with Internet copyright infringement. Purely domestic solutions would be ineffective.

29. Similarly, a recent study conducted by the Chicago/Kent University (American Bar Association Internet Jurisdiction Project of August 2000) proposes addressing jurisdiction in Cyberspace on national and multinational bases. See http://www.abanet.org/buslaw/cyber/initiatives/jurisdiction.html.